1 FRED D. HEATHER - State Bar No. 110650 fheather@glaserweil.com RORY S. MILLER - State Bar No. 238780 rmiller@glaserweil.com 3 GLASER WEIL FINK HOWARD 4 AVCHEN & SHAPIRO LLP 10250 Constellation Boulevard, 19th Floor Los Angeles, California 90067 Telephone: (310) 553-3000 Facsimile: (310) 556-2920 5 6 7 [Proposed] Attorneys for Court-Appointed Receiver 8 W. Lawrence Patrick 9 UNITED STATES DISTRICT COURT 10 CENTRAL DISTRICT OF CALIFORNIA 11 **EASTERN DIVISION** 12 WB MUSIC CORP. et al., CASE NO.: 5:16-cv-00600-JGB (SPx) 13 Plaintiffs, Hon. Jesus G. Bernal 14 v. 15 ROYCE INTERNATIONAL 16 BROADCASTING CORP., et al., ORDER REGARDING 17 Defendants. DEFENDANT EDWARD STOLZ'S CONTEMPT OF COURT AND IMPOSING 18 **SANCTIONS** 19 20 21 22 23 24 25 26 27 28

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TO ALL PARTIES AND THEIR COUNSEL OF RECORD:

On January 28, 2021, the Court found Defendant Edward Stolz ("Stolz") in contempt and ordered him to comply with the Court's orders or to surrender himself into custody. (Dkt. No. 363.) Stolz failed to do either, and on February 2, 2021, the Court issued a bench warrant for his arrest. (Dkt. No. 368.) Stolz remained a fugitive from justice, as the Court noted in its further contempt order of February 17, 2021. (Dkt. No. 379.)

Stolz ultimately self-surrendered to the United States Marshals Service on February 18, 2021, and the Court held a further hearing on Stolz's contempt on February 19, 2021. During that hearing, Stolz was placed under oath and interviewed by counsel for the Receiver. Following the interview, Stolz was returned to custody while certain materials were provided to the Receiver's counsel. The Court reconvened at 4:30 p.m. at which time the Court released Stolz from custody noting that further materials may be requested by the Receiver in order for Stolz to bring himself into compliance with the Court's orders.

The Court, having considered the arguments of all counsel at the hearings on February 19, 2021 and February 24, 2021, the papers and pleadings on file in this action, and good cause appearing,

IT IS HEREBY ORDERED THAT:

Defendant Edward Stolz is ordered to appear in person before the Court on Friday, February 26, 2021 at 11:00 a.m.

In order to avoid being remanded into custody at that time, Stolz must, at a minimum, complete the following acts:

- (1) Stolz must have signed over complete operational control and transactional authority to the Receiver for any and all bank accounts from which any monies have been paid, or income deposited, for any of the receivership assets.
 - (2) Stolz must provide contact information (name, address, telephone

number and email) for the accounting firm that prepared the receivership assets' 2016 tax returns, which Stolz has represented is the most recent year of filing.

- (3) Stolz must provide any and all documents in his possession, custody, or control that relate to the as-yet unfiled 2017, 2018, and 2019 tax returns for the receivership assets.
- (4) Stolz must provide contact information (name, address, telephone number and email) for the landlord that operates the primary transmitter site for KRCK (the Palm Desert station), as well as all keys to the transmitter site and a copy of the lease or rental agreement with that landlord.
- (5) Stolz must provide contact information (name, address, telephone number and email) for the landlord that operates the backup transmitter site for KRFH (the Las Vegas station), as well as all keys to the transmitter site and a copy of the lease or rental agreement with that landlord.
- (6) Stolz must provide a complete accounting, including the date, amount, and purpose, of any and all payments from Steve Zap and/or any company affiliated with him either to the receivership stations or on the behalf of the receivership stations.
- (7) Stolz must provide credit card statements that show any reimbursable expenses from the receivership stations to Stolz, Debby McKay, or others.
- (8) Stolz must provide any and all communications, in whatever hard copy or electronic form, regarding valuation of the receivership stations from January 1, 2018 to the present.
- (9) Stolz must provide a complete accounting, including the date, amount, and purpose, of any and all payments by each of the receivership stations from January 1, 2018 to the present. For the avoidance of doubt, a generalized statement of what the stations' monthly payments are is insufficient to satisfy this request.
- (10) Stolz must identify, by creditor and balance, a listing of all amounts that the receivership stations are currently in arrears, as well as an explanation for all

such unpaid debts. 1 2 (11) To the extent not covered elsewhere in this or the Court's prior orders, 3 Stolz must surrender all keys to any of the stations' studios, offices, primary transmitter sites, secondary/backup transmitter sites, or equipment cabinets that 4 remain in his possession custody or control, including, specifically, all keys to the 5 KREV (San Francisco) studio and office. 6 (12) Stolz must provide a valid current mailing and residence address for 7 himself, Debby McKay, and any other employees or contractors of the receivership 8 9 stations. 10 All of the above information must be submitted to the Receiver under penalty of perjury. For the avoidance of doubt, the burden is on Stolz to comply 11 with each of the foregoing obligations, and his purported ignorance of, or purported 12 13 inability to comply with, any obligations shall not be an excuse for his failure to comply in full absent further order of the Court. 14 15 Failure to compy with this Order will result in a finding of CONTEMPT against Stolz and his removal to custody. 16 17 18 IT IS SO ORDERED. 19 By: DATED: February 24, 2021 20 Jesus G. Bernal nited States District Judge 21 22 23 24 25 26 27

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